

EXECUTIVE SECRETARIAT
Routing Slip

*Memo
Chung*

TO:		ACTION	DATE	INITIAL
1	DD	✓	12/13/85	
2	DDI	✓	12/13/85	
3	DDP			
4	D/ICS			
5	DD			
6	DDA			
7	DDG			
8	DDST			
9	DD/DC			
10	DC			
11	IG			
12	Comp			
13	D/ERO			
14	D/FAO			
15	D/REA			
16	C/PAD/REA			
17	D/TA			
18	AD/DCI			
19	C/PO/DE			
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SUSPENSE		Date		

Remarks:

b/ Executive Secretary
12/23/85
Date

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Next 6 Page(s) In Document Denied

DIRECTOR OF CENTRAL INTELLIGENCE
Economic Intelligence Committee

EIC 12161-83
16 December 1983

MEMORANDUM FOR: Director of Central Intelligence

FROM :
Chairman

SUBJECT : Your Request for Additional Information
on the EIC

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1. Action: None; this responds to questions you asked on the EIC.

2. Background: The Economic Intelligence Committee is the oldest of the interagency intelligence committees and was highly active in the 1950s and 1960s. During that period it was the central tasking organization for economic intelligence, maintained an annual production schedule, and reviewed economic research. By the mid-1970s, however, the EIC was increasingly moribund. The principal problem was that most of the community's resources resided in CIA's Office of Economic Research (OER). Indeed, the decline of the EIC coincided with the development of the strong economic analysis and intelligence program in the CIA. Operations elsewhere were small and played a very minor role in the production of economic intelligence. During the past ten years, the EIC did very little. The primary vestige is the Requirements and Coordination Subcommittee of the EIC which is responsible for the preparation of the Economic Alert List. This is essentially the situation I inherited in October 1981.

3. Since I have taken over the EIC, I have attempted to jog it on collection and analysis. I believe, however, as long as the EIC maintains its present membership (see attachment), it will continue to fail regardless of the effort exerted. The principal problem is that it has no membership outside the intelligence agencies or intelligence offices of policy agencies. State, Treasury, Commerce, and Energy all have delegated participation to their intelligence components.

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[redacted]
[redacted] None of the participants from the other agencies have the authority to commit resources.

4. In the past six months I have given a lot of thought about how to change this situation. I believe the EIC can and should be radically transformed into a mechanism to revive the economic intelligence program throughout the community along the lines pushed in a report the DDI recently sent to the EXCOM. As you recall, that paper stressed the need to address the economic collection needs and issues of the years ahead. In the followup report you requested several of us [redacted]

[redacted] to prepare, we intend to make specific recommendations that will restructure the EIC.

5. As I see it, the Economic Intelligence Committee should be converted into what I would call the Economic Intelligence Advisory Committee. This new group would be composed of members of the policy community, rather than of the intelligence community. Membership, for example, would include among others:

- NSC Staff -- the International Economic Affairs Special Assistant to the President.
- State -- the Undersecretary for Economic Affairs or the Assistant Secretary for Economic and Business Affairs as appropriate.
- Commerce -- the Undersecretary for International Trade Administration.
- Treasury -- the Assistant Secretary for International Affairs.

6. This Advisory Committee would have 2 specific missions.

- Identify analytic gaps the intelligence community should pursue. This will help ensure the Agency does not devote its resources to topics more appropriately handled by policy departments.
- Establish a mechanism to engage other agencies in economic collection in a way not now accomplished.

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This latter responsibility I believe is of utmost importance. Moreover, my experience with the EIC clearly indicates that engaging other departments in collection requires policy level involvement rather than intelligence level involvement.

7. As I mentioned, this restructuring of the EIC will be recommended in the EXCOM followup study. If you have specific thoughts on these topics, I would like to discuss this with you to incorporate them into the paper.



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Attachment:

List of EIC Members
and Alternates

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